

AMENDED IN SENATE JUNE 23, 2003

AMENDED IN ASSEMBLY MAY 6, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1326**

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**Introduced by Assembly Member Simitian  
(Coauthor: Assembly Member Mullin)  
(Coauthor: Senator Sher)**

February 21, 2003

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An act to add and repeal Article 15.3 (commencing with Section 8340) of Chapter 2 of Part 6 of the Education Code, relating to child care.

LEGISLATIVE COUNSEL'S DIGEST

AB 1326, as amended, Simitian. Child care subsidies: County of San Mateo: pilot project.

Existing law requires the Superintendent of Public Instruction to adopt rules and regulations on eligibility, enrollment, and priority of services for federal and state subsidized child care programs.

This bill would authorize the County of San Mateo, as a pilot project, to develop and implement an individualized county child care subsidy ~~program~~ *plan*. The bill would require the ~~program~~ *plan* to ensure that child care subsidies received by the county ~~from specified sources~~ are used to address local needs, conditions, and priorities of working families in the community. The bill would require the County of San Mateo, prior to implementing the ~~program~~ *plan*, to develop a plan with specified elements, including development of local policies that may,

except as specified, supersede existing law with regard to eligibility requirements, fees, reimbursement rates, and methods of maximizing use of funds. The bill would require the plan to be approved by the local child care planning council and the Child Development Division of the State Department of Education, as provided. The bill would require the County of San Mateo to submit annual reports to the Legislature and the ~~State Department of Education~~ *department* that summarize the success of the ~~program~~ *plan* and to submit a final report to the Legislature on or before December 31, 2008.

This bill would authorize the County of San Mateo to implement the ~~program~~ *plan* until January 1, 2009, as specified. The bill would provide for the repeal of its provisions on January 1, 2011.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 15.3 (commencing with Section 8340)  
2 is added to Chapter 2 of Part 6 of the Education Code, to read:

3  
4 Article 15.3. Individualized County Child Care Subsidy  
5 *Program Plan*  
6

7 8340. The County of San Mateo may, as a pilot project,  
8 develop and implement an individualized county child care  
9 subsidy ~~program~~. ~~The program~~ *plan*. *The plan* shall ensure that  
10 child care subsidies received by the county ~~from the sources~~  
11 ~~identified pursuant to subdivision (c) of Section 8341~~ are used to  
12 address local needs, conditions, and priorities of working families  
13 in the community.

14 8341. Prior to implementing the ~~program~~ *local subsidy plan*,  
15 the County of San Mateo, *in consultation with the department*,  
16 shall develop an individualized county child care subsidy plan that  
17 includes the following four elements:

18 (a) An assessment to identify the county’s goal for its  
19 subsidized child care system. The assessment shall examine  
20 whether the current structure of subsidized child care funding  
21 adequately supports working families in the county and whether  
22 the county’s child care goals coincide with the state’s requirements  
23 for funding, eligibility, priority, and reimbursement. The



1 assessment shall also identify barriers in the state’s child care  
2 subsidy system that inhibit the county from meeting its child care  
3 goals. In conducting the assessment, the county shall consider all  
4 of the following:

5 (1) The general demographics of ~~working~~ families who are in  
6 need of child care, including employment, income, ~~cultural~~  
7 *language*, ethnic, and family composition.

8 (2) The current supply of available subsidized child care.

9 (3) The level of need for various types of subsidized child care  
10 services including, but not limited to, infant care, after-hours care,  
11 and ~~special needs care~~ *care for children with exceptional needs*.

12 (4) The county’s self-sufficiency income level.

13 (5) Income eligibility levels for subsidized child care.

14 (6) Family fees.

15 (7) The cost of providing child care.

16 (8) The regional market rates, as established by the ~~State~~  
17 ~~Department of Education~~ *department*, for different types of child  
18 care.

19 (9) The standard reimbursement rate or state per diem for  
20 centers operating under contracts with the ~~State Department of~~  
21 ~~Education~~ *department*.

22 (10) Trends in the county’s unemployment rate and housing  
23 affordability index.

24 (b) Development of a local policy to eliminate state-imposed  
25 regulatory barriers to the county’s achievement of its desired  
26 outcomes for subsidized child care.

27 (1) The local policy shall do all of the following:

28 (A) Prioritize lowest income families first.

29 (B) Meet local goals that are consistent with the state’s child  
30 care goals.

31 (C) Identify ~~current local policies that are~~ *existing policies that*  
32 *would be* affected by the county’s child care subsidy plan.

33 (D) Authorize ~~existing State Department of Education~~ *any*  
34 *department direct service* contractors *who provide child care and*  
35 *development services in San Mateo County*, at their election, to  
36 amend existing contracts with the ~~State Department of Education~~  
37 *department*, upon approval of the department, in order to benefit  
38 from the local policy once it is adopted. *The contract of a*  
39 *department contractor who does not elect to amend its contract*  
40 *remains operative and enforceable.*



1 (2) The local policy may supersede state law concerning child  
2 care subsidy programs with regard ~~to only~~ *only* to the following  
3 factors:

4 (A) Eligibility criteria including, but not limited to, age, family  
5 size, time limits, income level, inclusion of former and current  
6 CalWORKs participants, and special needs considerations, except  
7 that the local policy may not deny or reduce eligibility of a family  
8 that qualifies for child care pursuant to Section 8353. Under the  
9 local policy, a family that qualifies for child care pursuant to  
10 Section 8354 shall be treated for purposes of eligibility and fees in  
11 the same manner as a family that qualifies for subsidized child care  
12 on another basis pursuant to the local policy.

13 (B) Fees including, but not limited to, family fees, sliding scale  
14 fees, and copayments.

15 (C) Reimbursement rates.

16 (D) Methods of maximizing the efficient use of subsidy funds,  
17 including, but not limited to, multiyear contracting with the ~~State~~  
18 ~~Department of Education~~ *department* for center-based child care,  
19 and interagency agreements that allow for flexible and temporary  
20 transfer of funds among agencies.

21 ~~(e) Identification of funding sources that will be used to~~  
22 ~~implement the program. Only the following sources of funds may~~  
23 ~~be included in the program:~~

24 ~~(1) Migrant child care funds received pursuant to Article 6~~  
25 ~~(commencing with Section 8230).~~

26 ~~(2) Funds for general child care and development programs as~~  
27 ~~provided in Article 8 (commencing with Section 8240).~~

28 ~~(3) State preschool program funds received pursuant to Article~~  
29 ~~7 (commencing with Section 8235).~~

30 ~~(4) Funds provided to CalWORKs recipients for stages 2 and~~  
31 ~~3, as provided in Article 15.5 (commencing with Section 8350).~~

32 ~~(5) Funds for campus child care and development programs~~  
33 ~~pursuant to Article 6 (commencing with Section 66060) of~~  
34 ~~Chapter 2 of Part 40.~~

35 *(c) Recognition that all funding sources utilized by direct*  
36 *service contractors that provide child care and development*  
37 *services in San Mateo County are eligible to be included in the*  
38 *child care subsidy plan of the county.*

39 (d) Establishment of measurable outcomes to evaluate the  
40 success of the ~~program~~ *plan* to achieve the county's child care



1 goals and to overcome any barriers identified in the state's child  
2 care subsidy system.

3 8342. (a) The plan shall be submitted to the local child care  
4 planning council for approval. Upon approval of the plan by the  
5 local child care planning council, the county board of supervisors  
6 shall hold at least one public hearing on the plan. Following the  
7 hearing, if the county board of supervisors votes in favor of the  
8 plan, the plan shall be submitted to the Child Development  
9 Division of the ~~State Department of Education~~ *department* for  
10 review.

11 (b) Within 30 days of receiving the plan, the Child  
12 Development Division shall review and either approve or  
13 disapprove the plan.

14 (c) *Within 30 days of receiving any modification to the plan, the*  
15 *Child Development Division shall review and either approve or*  
16 *disapprove that modification to the plan.*

17 (d) The Child Development Division may disapprove only  
18 those portions of the plan *or modifications to the plan* that are not  
19 in conformance with this article *or that are in conflict with federal*  
20 *law.*

21 ~~(d) If any provision of the plan conflicts with federal law, the~~  
22 ~~Child Development Division shall apply to the appropriate federal~~  
23 ~~agency for a waiver. If a federal waiver is unobtainable, the Child~~  
24 ~~Development Division shall require the county to revise its plan to~~  
25 ~~conform to federal law.~~

26 8343. (a) Upon approval of the plan by the Child  
27 Development Division, the County of San Mateo shall annually  
28 prepare and submit to the Legislature and the ~~State Department of~~  
29 ~~Education~~ *department* a report that summarizes the success of the  
30 pilot project and the county's ability to maximize the use of funds  
31 and to improve and stabilize child care in the county.

32 (b) On or before December 31, 2008, the County of San Mateo  
33 shall submit a final report to the Legislature summarizing the  
34 impact of the ~~program~~ *plan* on the child care needs of working  
35 families.

36 ~~8245.—~~

37 8345. The County of San Mateo may implement its  
38 individualized county child care subsidy ~~program~~ *plan* until  
39 January 1, 2009, at which date the County of San Mateo shall  
40 terminate the ~~program~~ *plan*. Between January 1, 2009, and January



1 1, 2011, the County of San Mateo shall phase out the  
2 individualized county child care subsidy ~~program~~ *plan* and, as of  
3 January 1, 2011, shall implement the state's requirements for child  
4 care subsidies.

5 8346. *This article does not affect the level of funding for a*  
6 *contractor that participates in the local child care subsidy plan.*  
7 *The plan shall allow a participating contractor to receive any*  
8 *increase in funding that the contractor would have received if the*  
9 *contractor had not participated in the local subsidy plan.*

10 8347. This article shall remain in effect only until January 1,  
11 2011, and as of that date is repealed, unless a later enacted statute,  
12 which is enacted before January 1, 2011, deletes or extends that  
13 date.

